



# Non-State Capital Outlay Training Manual

## Chapter 10: Construction Contracts

by FP&C to be allowable. All requests for FP&C payments for these costs must be made with a Request for Disbursement form (see Figure 1). FP&C payments for Planning costs cannot exceed 10% of the construction cost.

## Construction

If State funds are to be used for construction costs, FP&C must be provided the following information prior to construction contract award (FP&C considers exhibits to be construction):

- ☐ Final construction documents (plans and specifications)
- ☐ Construction document addenda
- ☐ Certification that the cooperative endeavor agreement's ownership of property requirements have been met
- ☐ Evidence of current commitment and availability of match and/or in-kind match
- ☐ Certified proof of publication of advertisement for procurement
- ☐ Certified tabulation of bids or proposals with recommendation for award
- ☐ Certification that the procurement was in accordance with the Public Bid law

This information must be provided through a Request for FP&C Concurrence in Construction Contract Award form (see Figure 3), with the required information attached. Faxes will not be accepted. Evidence of availability of match or in-kind match is only required when other funds (in addition to the Capital Outlay funds) or services are needed in order to award a contract, or if volunteer labor or donated materials are to be used. Evidence of availability of cash match can be in the form of bank statements, resolutions from the entity's governing authority, etc.

FP&C must concur in contract award prior to the actual award. If a construction contract is awarded prior to FP&C concurrence, then the costs are not eligible for State participation.

***FP&C must concur in contract award in order for construction costs to be eligible for State participation.***


Once FP&C concurs in contract award, the construction costs are considered eligible for State participation. Interim State disbursements can be made based on certified applications for payment (e.g., AIA Document G702) that are submitted with a Request for Disbursement form (see Figure 1). Copies of the fully executed construction contract with performance bond (or other form of security, if allowable by law) must be provided to FP&C prior to or concurrent with the first construction Request for Disbursement.

In order to disburse funds associated with the 100% application (minus retainage), the punch list(s) will need to be submitted along with written confirmation that the punch list(s) items have been addressed. This written confirmation is in addition to the certified application for payment. FP&C will hold retainage until the 45-day Clear Lien Certificate is provided. Any liquidated damages will be to the benefit of FP&C; if local match is involved, proportionately between FP&C and the non-state entity.

Change orders must be approved by FP&C in order to be eligible for State participation. *Non-state entities are encouraged to submit draft change orders to FP&C prior to execution in order for FP&C to confirm that the costs will be eligible for State participation.* As stipulated in the Public Bid Law, FP&C will require negotiated change orders to be fully documented and itemized as to

## Request for FP&C Concurrence in Construction Contract Award


Project Number:	50-MZZ-11-01	Grantee: Town of Marais
Project Name:	Fire Station Expansion, Acquisition, Planning and Construction (Evangeline)	Contact Person: Mayor Placide Guidry Phone Number: (337) 123-4567

 **to be completed by the Town of Marais.**

The following information is attached and the Town of Marais requests FP&C's concurrence in the award

of the construction contract for **\$780,000** to **Reliable Constr. Co., Inc.**  
(Total Bid) (Contractor)

☒ Final construction documents (plans and specifications)  
☒ Construction document addenda  
☒ Certification that the cooperative endeavor agreement's ownership of property requirements have been met  
☒ Evidence of current commitment and availability of match and/or in-kind match  
☒ Certified proof of publication of advertisement for procurement  
☒ Certified tabulation of bids or proposals with recommendation for award  
☒ Certification that the procurement was in accordance with the Public Bid Law  
☐ Other

Grantee:  Date: 5/12/2012  
(Signature)  
**Placide Guidry, Mayor**  
(Type or Print Name)

 **to be completed by FP&C and returned to the Town of Marais.**

☐ FP&C concurs in construction contract award  
(The Town of Marais must submit a Request for Disbursement Form to draw from State funds)

☐ FP&C does not concur in construction contract award  
Reason: \_\_\_\_\_  
\_\_\_\_\_  
(The Town of Marais must resolve and then submit another Request for FP&C Concurrence in Construction Contract Award)

Project Manager: \_\_\_\_\_ Date: \_\_\_\_\_  
(Signature)

Remit to: Facility Planning & Control  
LA Division of Administration  
Post Office Box 94095  
Baton Rouge, La. 70804-9095

Thank you for your cooperation!



## **Town of Marais**

*P. O. Box 9999 Marais, Louisiana 79999*

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May 15, 2012

Mr/Ms. Project Manager  
Facility Planning & Control  
Post Office Box 94095  
Baton Rouge, LA 70804-94095

Re: Fire Station Expansion, Acquisition, Planning and Construction  
FP&C No. 50-MZZ-11-01

Dear Mr/Ms. Project Manager:

The Town of Marais recommends that Reliable Construction, Inc. be awarded a construction contract for \$780,000.

I hereby certify that the Town owns the property upon which the Project is to be located and that the Town will not, while any of the Project bonds remain outstanding, transfer, convey, sell, mortgage, assign, or otherwise alienate its ownership rights in the land and appurtenances which constitute the Project.

I hereby certify that this Project's advertisement, receipt of bids, and award recommendation are in accordance with public bidding statutes.

Thank you for your assistance.

Mayor Placide Guidry

**Smith and Jones Architects, Inc.  
Marais, LA**

**BID TABULATION SHEET**

**Project**

**Fire Station Expansion  
FP&C# 50-MZZ-11-01**

**Owner: Town of Marais, LA**

**Bid Opening: May 7, 2012 2:00 pm**

Contractor	Contractor License No.	Add. 1	Add. 2	Add. 3	Bid Bond	Base Bid	Alternate No. 1	Remarks
Reliable Construction	1234	✓	✓	✓	✓	\$ 760,000.00	\$ 20,000.00	
C.O. Contractors	6667	✓	✓	✓	✓	\$ 775,000.00	\$ 23,000.00	
On Time Builders	2486	✓	✓	✓	✓	\$ 800,000.00	\$ 25,000.00	
Not Really Interested Constructors	8887	✓	✓	✓	✓	\$ 920,000.00	\$ 100,000.00	

I hereby certify that this Bid Summary is a true and accurate tabulation of Bids received.

John Smith, Architect

## **Resolution #12345**

On a motion by Councilman Badeaux, and seconded by Councilman Leblanc, the following resolution was offered:

A resolution approving the Town to provide the funding needed to award the base bid and alternate #1 for the Fire Station Expansion to Reliable Construction. Also, the Town will provide any additional funding needed for change orders.

Be it resolved by the Mayor and the Councilman of the Town of Marais, a municipal corporation domiciled in the Parish of Evangeline acting as governing authority for said town:

**Yeas: 5**

**Nays: 0**

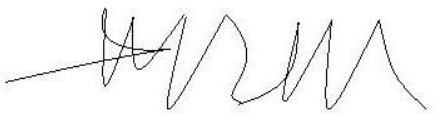
**Absent: 0**

Councilman Badeaux  
Councilman Leblanc  
Councilman Savoie  
Councilman Landry  
Councilman Smith

This resolution was hereby adopted on this  
13<sup>th</sup> day of May 2012.



\_\_\_\_\_  
Mayor Placide Guidry



\_\_\_\_\_  
Town Clerk

**ADVERTISEMENT FOR BIDS**

Sealed bids will be received by the Town of Marais, Marais, Louisiana 79999 until 2:00 P.M., on May 8, 2012 and at that time and location will be opened and read aloud.

ANY PERSON REQUIRING SPECIAL ACCOMMODATIONS SHALL NOTIFY THE TOWN OF MARAIS OF THE TYPE(S) OF ACCOMMODATION REQUIRED NOT LESS THAN SEVEN (7) DAYS BEFORE THE BID OPENING.

FOR: Fire Station Expansion

Complete Bidding Documents may be obtained from:

Smith and Jones Architects  
123 Alligator Rd.  
Marais, LA 79999

upon deposit of \$ 180 for each set of documents. Deposit on the first two sets are fully refundable to all bonafide prime Bidders upon return of the documents, in good condition, no later than ten (10) days after receipt of bids. The deposit of all other sets of documents will be refunded 50% upon return of documents as stated above.

All bids must be accompanied by bid security equal to five percent (5%) of the sum of the base bid and all alternates, and must be in the form of a certified check, cashier's check or Bid Bond Form written by a surety company licensed to do business in Louisiana, signed by the surety's agency or attorney-in-fact, and countersigned by a person who is under Contract with surety as a licensed agency in this State and who is residing in this State. Surety must be listed on the current U.S. Department of the Treasury Financial Management Service list of approved bonding companies as approved for an amount equal to or greater than the amount for which it obligates itself in the Bond, or must be a Louisiana domiciled insurance company with at least an A - rating in the latest printing of the A.M. Best's Key Rating Guide. If surety qualifies by virtue of its Best's listing, the amount of the Bond may not exceed ten percent of policyholders' surplus as shown in the latest A.M. Best's Key Rating Guide. The Bid Bond shall be in favor of the Town of Marais, and shall be accompanied by appropriate power of attorney. No Bid Bond indicating an obligation of less than five percent (5%) by any method is acceptable.

The successful Bidder shall be required to furnish a Performance and Payment Bond written by a company licensed to do business in Louisiana, in an amount equal to 100% of the Contract amount. Surety must be listed currently on the U. S. Department of Treasury Financial Management Service List (Treasury List) as approved for an amount equal to or greater than the contract amount, or must be an insurance company domiciled in Louisiana or owned by Louisiana residents. If surety is qualified other than by listing on the Treasury list, the contract amount may not exceed fifteen percent of policyholders' surplus as shown by surety's most recent financial statements filed with the Louisiana Department of Insurance and may not exceed the amount of \$500,000. However, a Louisiana domiciled insurance company with at least an A-rating in the latest printing of the A. M. Best's Key Rating Guide shall not be subject to the \$500,000 limitation, provided that the contract amount does not exceed ten percent of policyholders' surplus as shown in the latest A. M. Best's Key Rating Guide nor fifteen percent of policyholders' surplus as shown by surety's most recent financial statements filed with the Louisiana Department of Insurance. The Bond shall be signed by the surety's agent or attorney-in-fact and countersigned by a person who is under contract with surety as a licensed agent in this State, and who is residing in this State.

**A PRE-BID CONFERENCE WILL BE HELD**

At 2:00 p.m. on Thurs. April 26, 2012 at Town Hall, Marais, Louisiana 79999.

Bids shall be accepted from Contractors who are licensed under LA. R.S. 37:2150-2163 for the classification of Building Construction. Bidder is required to comply with provisions and requirements of LA. R.S. 38:2212 (A)(1)(c). No bid may be withdrawn for a period of forty-five (45) days after receipt of bids, except under the provisions of LA. R.S. 38:2214.

The Owner reserves the right to reject any and all bids for just cause. In accordance with La. R.S. 38:2212 (A) (1)(b), the provisions and requirements of this Section, those stated in the advertisement for bids, and those required on the bid form shall not be considered as informalities and shall not be waived by any public entity.

## *The Observer*

The hereto attached notice was published in THE OBSERVER, a weekly newspaper of general circulation published in Marais, Louisiana and the official journal of the Town of Marais, in the following issues:

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April 2, 10, 17, 2012

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*Norma Jean Guidry*

Legal Public Services Representative

Sworn and subscribed before me by the person whose signature appears above in Marais, Louisiana on:

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May 11, 2012

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*Belinda Delfry*

Notary Public #

My Commission Expires: Indefinite

# Key Points

## FP&C Concurrence in Construction Contract Award

### **FP&C Concurrence in Construction Contract Award form**

- Final construction documents: have they been previously reviewed?  
If not, must review them for function and intent and possible public bid “fatal flaws”\*
- Construction document addenda: is there anything in the addenda that may cause a “fatal flaw”\* with regards to the public bid law?
- Certification of ownership of property: certification by authorized representative, may require copy of lease, servitudes, or permits
- Current commitment and match: certification that entity will provide any needed funds to fully complete the project and supporting documentation for match amount (if applicable)
- Proof of advertisement: certified statement by publisher and copy of ad
- Check against public bid law requirements
- Certified tabulation of bids and recommendation for award (tab recommendation by designer and recommendation by authorized representative)
- If alternates accepted, were they taken in the correct order?
- Certification that procurement meets public bid law: certification by authorized representative
- Form must be signed by authorized representative

\* ***“Fatal Flaws” are presented to the Louisiana Attorney General’s Office for final verification***





**State of Louisiana**  
Division of Administration  
Facility Planning and Control

**FAX TRANSMITTAL SHEET**

DATE: 05/15/12  
THIS SHEET PLUS 1

TO: NAME: **THE HONORABLE PLACIDE GUIDRY, MAYOR**  
TOWN OF MARAIS  
FAX NO.: **(337) 123-4567**

FROM: NAME: **Project Manager**  
*Facility Planning and Control*  
*Post Office Box 94095*  
*1201 N. Third Street, Suite 7-160*  
*Baton Rouge, LA 70804-9095*  
*(225) 342-0820 FAX (225) 342-7624*

RE: PROJECT: **Fire Station Expansion, Acquisition, Planning and Construction**  
PROJECT NO.: **50-MZZ-11-01**

Transmitted is the Request for FP&C Concurrence in Construction Contract Award form with my signature concurring in the award of the contract for the Fire Station to Reliable Construction Company, Inc. for \$780,000. Please provide me with a copy of the executed construction contract, the performance bond, the payment bond, and a copy of your Notice to Proceed with your first request for disbursement for this service.

The State share is calculated per the ratio in Exhibit A of our co-op as  $\$600,000 / \$800,000 = 75\%$  or \$585,000 of the base construction contract. We will apply this percentage to each of the contractor's monthly applications for payment submitted for disbursement. The Town of Marais will pay the balance of the base contract costs. The state will also pay 75% of all State approved costs for required change orders subject to available funds. The Town will be responsible for all other costs. To ensure level of State participation, if any, please submit all change orders for FP&C review prior to execution.

Please note that the construction period has been timed to allow the Priority 5 NCLOC to receive a Priority 1 CLOC at the July 2012 Bond Commission Meeting. This must be done before we can write a check on these funds.  
Please call me if you have any questions.

## Request for FP&C Concurrence in Construction Contract Award


Project Number: 50-MZZ-11-01

Grantee: Town of Marais

Project Name: Fire Station Expansion,  
Acquisition, Planning and  
Construction

Contact Person: Mayor Placide Guidry

Phone Number: (337) 123-4567

 **to be completed by the Town of Marais.**

The following information is attached and the Town of Marais requests FP&C's concurrence in the award

of the construction contract for **\$780,000** to **Reliable Constr. Co., Inc.**

(Total Bid)

(Contractor)

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- ☒ Certification that the procurement was in accordance with the Public Bid Law
- ☐ Other

Grantee:


  
(Signature)

Date:

5/12/12

**Placide Guidry, Mayor**

(Type or Print Name)

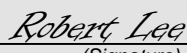
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☐ FP&C does not concur in construction contract award  
Reason: \_\_\_\_\_

(The Town of Marais must resolve and then submit another Request for FP&C Concurrence in Construction Contract Award)

Project Manager:

  
(Signature)

Date:

5/15/12

Remit to: Facility Planning & Control  
LA Division of Administration  
Post Office Box 94095  
Baton Rouge, La. 70804-9095

Thank you for your cooperation!



## **Town of Marais**

*P. O. Box 9999 Marais, Louisiana 79999*

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July 14, 2012

Mr/Ms. Project Manager  
Facility Planning & Control  
Post Office Box 94095  
Baton Rouge, LA 70804-94095

Re: Fire Station Expansion  
FP&C No. 50-MZZ-11-01

Dear Mr/Ms. Project Manager:

Please find enclosed the following:

- Disbursement Request No. 5 which includes the first application for payment from Reliable Construction
- Copy of the fully executed contract between the Town of Marais and Reliable Construction
- Copies of performance and payment bonds supplied by Reliable Construction.
- Notice to proceed.

Thank you for your assistance.

Mayor Placide Guidry

enclosures

## Request for Disbursement

Request No. 5

Project Number: 50-MZZ-11-01

Grantee: Town of Marais

Project Name: Fire Station Expansion,  
Acquisition, Planning and  
Construction

Contact Person: Mr. Placide Guidry, Mayor

Phone Number: (318) 123-4567

### Invoices Enclosed:

Invoice Number	Vendor Name	Cost Code*	Amount
005	<i>Smith and Jones Architects</i>	PN	\$1,100.00
001	<i>Reliable Construction</i>	CN	\$65,000.00
<b>Total</b>			<b>\$66,100.00</b>

*NOTE: Put amount of actual contractor pay application. FPC will modify with percentage.*

This document will hereby certify that each of the invoices on this list and attached list(s) is in accordance with the terms of the applicable contracts and/or agreements and that the services have been performed or the goods received. Furthermore, this certification also indicates compliance with the terms and conditions of the cooperative endeavor agreement by and between the State of Louisiana and Town of Marais.

Certified Correct by Grantee: *Mayor Placide Guidry*  
(Signature)

Date: 07/14/2012

*Mayor Placide Guidry*  
(Type or Print Name)

*Disbursement requests must be handwritten on preprinted forms with an original signature from an authorized representative.*

*Cost Code	Category
RQ	Real Estate
PN	Planning
CN	Construction
MI	Miscellaneous
EQ	Equipment



**Town of Marais**

*P. O. Box 9999 Marais, Louisiana 79999*

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January 6, 2013

Mr/Ms. Project Manager  
Facility Planning & Control  
Post Office Box 94095  
Baton Rouge, LA 70804-94095

Re: Fire Station Expansion, Acquisition, Planning and Construction  
FP&C No. 50-MZZ-11-01

Dear Mr/Ms. Project Manager:

The items enumerated on the punchlist dated December 15, 2012 have been satisfactorily completed.

Mayor Placide Guidry

**Smith and Jones Architects, Inc.**  
**111 Bayou Road**  
**Marais, LA 79999**

**FIRE STATION EXPANSION**

MARAIS, LA  
FP&C Project No. 50-MZZ-11-01

**INSPECTION PUNCH LIST**

**ATTACHMENT TO CERTIFICATE OF SUBSTANTIAL COMPLETION**

December 15, 2012

1. Retouch paint on north side of Room 141.	\$240.00
2. Fix door hardware in Room 152.	\$180.00
3. Repair broken glass in Room 161.	\$100.00
4. Complete cabinetry in Coffee Room 122.	\$650.00
5. Fix electrical outlets in Room 133 that do not work.	\$120.00
6. Replace vinyl tile floor in Room 200 and install new to specification standard.	<u>\$1,400.00</u>
	Total = \$2,690.00

Reliable Construction, Inc.

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**“LIEN CERTIFICATE”**

**STATE OF LOUISIANA**

**PARISH OF EVANGELINE**

I HEREBY CERTIFY, that according to the mortgage records of this Office, there does not appear any liens from and after May 29, 2012 the date of the Contract between the TOWN OF MARAIS and RELIABLE CONSTRUCTION, INC., Contractor filed and recorded June 5, 2012 in Mortgage Book No. 99999, at page 99999, Original Act No. 000000 operating upon the following project:

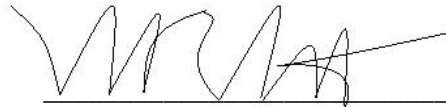
**FIRE STATION EXPANSION**

Other than to-wit:

NONE

I FURTHER CERTIFY, that the Project was accepted by TOWN OF MARAIS dated December 15, 2012 Filed and recorded January 14, 2013 in Mortgage Book No. 99999, at page 999999.

IN FAITH WHEREOF, witness my Official signature and seal of Office at Ville Platte, Louisiana this 3rd day of March, A.D., 2013 @ 8:00 a.m.



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